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NOV 17 1993

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5 In Propria Persona

6 SUPERIOR COURT OF THE STATE OF CALIFORNIA
7 FOR THE COUNTY OF MARIN

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NOV 17 1993

HUB LAW OFFICES

8 CHURCH OF SCIENTOLOGY)
9 INTERNATIONAL, a California)
10 not-for-profit religious)
11 corporation,)
12)
13 Plaintiff,)
14)
15 vs.)
16)
17 GERALD ARMSTRONG; MICHAEL)
18 WALTON; THE GERALD ARMSTRONG)
19 CORPORATION, a California for)
20 profit corporation; DOES 1)
21 through 100, inclusive,)
22)
23 Defendants.)
24)
25

CASE NO. 157 680

REPLY IN SUPPORT OF DEMURRER
AND MOTION TO STRIKE

Date: NOVEMBER 19, 1993
Time: 9:00 A.M.
Location: Dept. 1
Trial Date: None

25 This court's ruling on November 12, 1993 on defendant Gerald
26 Armstrong's Motion to Commence Coordination Proceedings has spoken
27 to a number of this defendant's arguments in the instant motion.
28 This response is only to those aspects of plaintiff's opposition
29 that have not been disposed of by the prior ruling and those
30 aspects of plaintiff's opposition that are newly introduced
31 allegations.

32 As the court must now be aware by the huge number of documents
33 that have already been filed by the parties, the litigation history
34 between Scientology and Gerald Armstrong reflects a long,
35 complicated and bitter battle where the fundamental religious
36 principles of both are often diametrically opposed. This defendant

COPY

1 has never publicly taken a position with respect to their
2 differences. This defendant has never been a member of Scientology
3 nor has he decried their philosophical teachings. This defendant is
4 not a party to any agreement relating to Scientology, and with the
5 sole exception of the agreement to represent Mr. Armstrong in 1990
6 in the matter of Scientology's appeal of the 1984 decision of the
7 Los Angeles Superior Court in Scientology's initial lawsuit against
8 Mr. Armstrong, never has been a party to any agreement relating to
9 Scientology.

10 In requesting that plaintiff's complaint against this
11 defendant be clear and precise, it is hoped that defendant will not
12 somehow be pulled into the war that has been going on since 1982.
13 In order to intelligently respond and to adequately defend against
14 plaintiff's allegations, it is necessary to know with some
15 certainty what those allegations are and when they occurred. For
16 example, Scientology claims in its other pending lawsuits against
17 Armstrong that Armstrong began breaching an agreement in June 1991;
18 in the complaint on file herein, plaintiff alleges that in February
19 1990, Armstrong breached an agreement but offers no allegations as
20 to how the breach(es) occurred; in Scientology's Memorandum of
21 Points and Authorities In Opposition to Armstrong's Motion to
22 Commence Coordination Proceedings the June 1991 date is again used.
23 Because of the nature of the conspiracy and fraudulent transfer
24 allegations, specific dates and their related alleged breaches are
25 of great consequence to this defendant.

26 This is especially critical since it is the alleged actions

1 of defendant Armstrong that have given rise to Scientology's claims
2 as a creditor. Scientology in its opposition to this demurrer
3 states that it "could easily, of course, provide Walton and the
4 Court with that sort of detailed pleading." Scientology argues that
5 such detail is not relevant because the specific allegations are
6 being litigated in Los Angeles. This defendant asserts that those
7 allegations are most certainly relevant in assessing his position
8 in the instant lawsuit and should be plainly and properly plead
9 especially since it "could easily" be done.

10 Scientology has falsely characterized the prior recorded
11 testimony of both Armstrong and Walton regarding a most critical
12 aspect of its claim by averring that lack of consideration for the
13 transfers was admitted. In his deposition, this defendant was asked
14 how much he paid Armstrong for the transferring of Armstrong's
15 interest in the property which is the subject of this lawsuit. This
16 defendant did not give Mr. Armstrong money for the transfer. Such
17 an admission does not indicate that Mr. Armstrong did not receive
18 consideration. Civil Code Section 3439.03 states in relevant part
19 that,

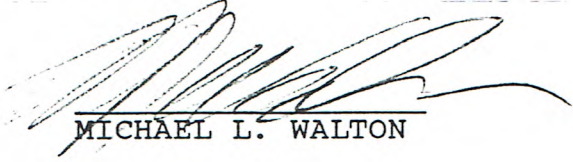
20 Value is given for a transfer or an obligation if, in
21 exchange for the transfer or obligation, property is
22 transferred or an antecedent debt is secured or
23 satisfied...

24 This defendant did, in fact, assume the entire liability for the
25 first mortgage on the property which was approximately \$400,000,
26 and paid for all subsequent taxes, repairs bills and improvements

1 on the property. (See herein the Declaration of Michael Walton with
2 attached documents). Mr. Armstrong was released from any further
3 liability.

4 This defendant is entitled and should be given the relevant
5 facts by plaintiff in order to respond to its complaint which prays
6 for this defendant's home and a monetary judgment of \$4,800,000.
7 Defendant's demurrer/ motion to strike should be sustained.

8 DATED: November 17, 1993
9
10


MICHAEL L. WALTON

1 PROOF OF SERVICE BY MAIL

2 STATE OF CALIFORNIA, COUNTY OF MARIN

3 I am a resident of the county aforesaid; I am over the
4 age of eighteen years and not a party to the within entitled
5 action; my business address is 711 Sir Francis Drake Blvd., San
6 Anselmo, California 94960.

7 On November 17, 1993, I served the within REPLY IN
8 SUPPORT OF DEMURRER AND MOTION TO STRIKE on the interested parties
9 by placing true copies thereof enclosed in sealed envelopes with
10 postage thereon fully prepaid, in the United States mail at San
11 Anselmo, California addressed as follows:

12 Laurie J. Bartilson
13 Bowles & Moxon
14 62 55 Sunset Blvd., Suite 2000
15 Los Angeles, CA 90028

16 Wilson, Ryan & Campilongo

1 235 Montgomery Street, Suite 450
2 San Francisco, CA 94104

3 Ford Greene, Esq.
4 711 Sir Francis Drake
5 San Anselmo, CA 94960

6 Executed on November 17, 1993 at San Anselmo, California.

7 I declare under penalty of perjury that the foregoing is
8 true and correct.

9
10
